

701—63.26(452A) Distributor licenses. There shall be two types of fuel distributor licenses which will be issued. The motor fuel distributor's license will apply to motor fuel-gasoline and motor fuel-aviation. The special fuel distributor's license will apply to special fuel-diesel, and special fuel-LPG. Each license issued will be separate and distinct and must be applied for and issued separately.

63.26(1) Requirements for license. In order to become licensed as a fuel distributor, the person must file a written application with the department. The license must be conspicuously displayed, is valid until revoked or canceled, and is nonassignable. The application shall include, but not be limited to, the following information:

- a. The name under which the distributor will transact business in the state.
- b. The location of the principal place of business of the distributor.
- c. The name and address of the owner(s) of the business, or if a corporation or association, the names and addresses of the principal officers.
- d. The type of fuel(s) to be handled.
- e. The approximate volume of fuel(s) to be handled.
- f. The source of the fuel(s).
- g. The type of customers to be served.
- h. Whether the applicant has a license for a different type of fuel, and if so, the license number.

63.26(2) Assignment of a license. The following are nonexclusive situations that are considered assignments, and the acquiring distributor must apply for a new license.

- a. A sale of the taxpayer's business, even if the new owner operates under the same name.
- b. A change of the name under which the distributor conducts business.
- c. A merger or other business combination which results in a new or different entity.

63.26(3) Denial of a license. The department may deny a license to any applicant who is, at the time of application, substantially delinquent in paying any tax due which is administered by the department or the interest or penalty on the tax. If the applicant is a partnership, a license may be denied if a partner is substantially delinquent in paying any tax, penalty, or interest regardless of whether the tax is in any way a liability of or associated with the partnership. If an applicant for a license is a corporation, the department may deny the applicant a license if any officer, with a substantial legal or equitable interest in the ownership of the corporation, owes any delinquent tax, penalty, or interest of the applicant corporation. In this latter instance, the corporation must, initially, owe the delinquent tax, penalty, or interest, and the officer must be personally and secondarily liable for the tax. This is in contrast to the situation regarding a partnership. See rule 701—13.16(422) for a characterization of the terms "tax administered by the department" and "substantially delinquent" in paying a tax. This subrule is applicable to tax, interest, and penalty due and payable on and after January 1, 1987.

For information concerning records to be kept, see rule 63.3(452A).

63.26(4) Revocation of a license. The department may revoke the license of any licensee who becomes substantially delinquent in paying any tax which is administered by the department or the interest or penalty on the tax. If a licensee is a corporation, the department may revoke the license if any officer, with a substantial legal or equitable interest in the ownership of the corporation, owes any delinquent tax, penalty, or interest of the applicant corporation. In this latter instance, the corporation must, initially, owe the delinquent tax, penalty, or interest, and the officer must be personally and secondarily liable for the tax. If the licensee is a partnership, the license may not be revoked for a partner's substantial delinquency in paying any tax, penalty, or interest which is not a liability of the partnership. See rule 701—13.16(422) for characterizations of the terms "tax administered by the department" and "substantially delinquent" in paying a tax. This subrule is applicable to tax, interest, and penalty due and payable on and after January 1, 1987.

The department may also revoke the license of any licensee who abuses the privileges for which the license was issued, files a false report, or fails to file a report (including supporting schedules), pay the full amount of tax due, produce records requested, or extend cooperation to the department.

This rule is intended to implement Iowa Code sections 452A.4, 452A.5 and 452A.36.